

Initial Hearing Date: April 13, 2011, at 10:00 a.m.

Initial Objection Deadline: April 6, 2011, at 4:00 p.m.

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:	:	Chapter 11
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LEHMAN BROTHERS HOLDINGS INC., et al.,	:	Case No. 08 – 13555 (JMP)
	:	
Debtors.	:	(Jointly Administered)
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**LIMITED RESPONSE OF BANK OF AMERICA, N.A. TO THE
MOTION OF THE AD HOC GROUP OF LEHMAN BROTHERS
CREDITORS SEEKING, AMONG OTHER THINGS, AN ORDER
SCHEDULING A DISCLOSURE STATEMENT HEARING AND
APPROVING THE FORM AND MANNER OF NOTICE THEREOF**

Bank of America, N.A. ("BofA NA") hereby submits this limited response to the motion [Docket No. 13504] (the "Ad Hoc Motion") of the Ad Hoc Group of Lehman Brothers Creditors (the "Ad Hoc Sub Con Group") for entry of (i) an order scheduling a disclosure statement hearing and approving the form and manner of notice thereof and (ii) an order approving the disclosure statement [Docket No. 13505] (the "Ad Hoc Sub Con Proposed Disclosure Statement") for their Joint Substantively Consolidating Chapter 11 Plan for Lehman Brothers Holdings Inc. and Certain of Its Affiliated Debtors Other Than Merit, LLC, LB

Somerset LLC and LB Preferred Somerset LLC [Docket No. 15431] (the “Ad Hoc Proposed Sub Con Plan”). In support thereof, BofA NA respectfully represents as follows:

1. On December 15, 2010, the Ad Hoc Sub Con Group filed the Ad Hoc Proposed Sub Con Plan and the Ad Hoc Sub Con Proposed Disclosure Statement. On January 25, 2011, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed their First Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and its Affiliated Debtors [Docket No. 14150] (the “Debtors’ Proposed Joint Plan”) and related disclosure statement [Docket No. 14151] (the “Debtors’ Proposed Disclosure Statement”).

2. On March 18, 2011, the Debtors filed their Motion (i) for Approval of the Disclosure Statement and Form and Manner of Notice of the Disclosure Statement Hearing, (ii) Establishing Solicitation and Voting Procedures, (iii) Scheduling a Confirmation Hearing, and (iv) Establishing Notice and Objection Procedures for Confirmation of the Debtors Joint Chapter 11 Plan [Docket No. 15078] (the “Debtors’ Procedure Motion”). On March 29, 2011, the Ad Hoc Sub Con Group filed the Ad Hoc Motion.

3. BofA NA believes that the Proposed Ad Hoc Sub Con Plan is both highly objectionable and not confirmable, because of, among other reasons, its reliance on substantive consolidation in a manner that is neither supported by fact or law. The Debtors’ Proposed Joint Plan suffers from many of the same infirmities, and likewise is both objectionable and not confirmable.

4. Despite the infirmities of the Proposed Ad Hoc Sub Con Plan, and without waiving any rights to object to the Ad Hoc Proposed Sub Con Plan or the Ad Hoc Sub Con Proposed Disclosure Statement, BofA NA submits this response to express its support for the Ad Hoc Motion, if and to the extent that the Debtors object to the relief requested in the Ad Hoc

Motion on the basis that only the Debtors' Proposed Disclosure Statement and the Debtors' Proposed Joint Plan should proceed on the timeline outlined in the Debtors' Procedure Motion. Any suggestion by the Debtors that any other timely filed plan and disclosure statement in these cases should not proceed concurrently with those of the Debtors is without merit.

5. Fairness and efficiency dictate that, to the extent possible, any proposed disclosure statements in these chapter 11 cases be heard concurrently, with the same objection and response deadlines. All disclosure statements proposed in these cases will likely contain some degree of overlapping information, meaning that it would be a waste of judicial and other resources for them to be considered separately. Furthermore, given the number of creditors involved, it is essential that any competing plans be solicited simultaneously, so as to avoid needless expense and confusion. In addition, allowing one timely filed plan to be solicited before other timely filed plans would give the plan that is solicited first an unwarranted advantage, which would be fundamentally unfair in this situation, where exclusivity has expired.

6. Accordingly, BofA NA supports the Ad Hoc Motion solely as it relates to the scheduling of a hearing to consider approval of any disclosure statements relating to an alternative plan and requests that any plan and disclosure statement proposed by any party in interest (or group of parties in interest) be subject to the same hearing schedule as the Debtors' Proposed Joint Plan and the Debtors' Proposed Disclosure Statement. Moreover, any party that likewise files and serves a plan and disclosure statement on or before April 29, 2011 (or, if later, at least 28 days prior to the objection deadline for the disclosure statement hearing on the Debtors' Proposed Joint Plan), should be considered by creditors and this Court concurrently with the Debtors' Proposed Joint Plan and the Debtors' Proposed Joint Disclosure Statement.

WHEREFORE, for the reasons set forth above, BofA NA respectfully requests that, if and to the extent that the Debtors object to the relief requested in the Ad Hoc Motion on the basis that only the Debtors' Proposed Disclosure Statement and the Debtors' Proposed Joint Plan should proceed on the timeline outlined in the Debtors' Procedure Motion, this Court overrule such an objection, and that this Court allow any plan and disclosure statement filed by a party (or group of parties) other than the Debtors to be considered by this Court and creditors simultaneously with the Debtors' Proposed Joint Plan and Debtors' Proposed Disclosure Statement.

Dated: New York, New York
April 6, 2011

SHEARMAN & STERLING LLP

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